

**HRS DISCUSSION DRAFT – Voluntary Reduce Salary for contract/non contract employees**

**Request to Voluntarily Reduce Salary**

**Acknowledgment and Agreement**

**COVID-19**

By signing this Acknowledgement and Agreement, I am voluntarily reducing my annual base salary by X% (\$XXXX total monthly amount) effective DATE through DATE. I have read and understand the below implications:

1. Effective DATE, my annual base salary will be reduced from \$XXX,XXX.00 to \$XXX,XXX.00.
2. This Acknowledgement and Agreement does not change my position configuration, FTE, or duties.
3. I understand that by reducing my annual base salary, contributions to my retirement plan, which are based on a percentage of my salary, also will be reduced accordingly, including the employer contributions.
4. If I elected to enroll in the optional long-term disability insurance coverage, in the event of a claim, that benefit will be based off my salary at the time of disability. By reducing my salary, I understand any benefit received would be based on a lower salary.

[Note: The optional long-term disability benefit insures the first \$120,000 of annual salary. If an employee's annual salary is above \$120,000, the salary increase would have no impact on a future benefit.]

5. If I was hired prior to July, 2011, and am a participant of the WSU Retirement Plan (WSURP), I may be eligible for a Supplemental Retirement Plan (SRP) benefit if I were to retire from WSU at age 62 or later. Part of that calculation takes into account the average highest 24-month salary. I understand by reducing my salary, this average may be reduced.

[Note: There is no guarantee the SRP will have an associated benefit at retirement, but for those who would be eligible, a reduced salary may result in a smaller payout.

6. I understand by reducing my salary, if eligible for the sick leave incentive, I may have a lower payment during the following times.
  - a. The annual January sick-leave cash-out for those with sick leave accumulations higher than 480 hours.
  - b. The VEBA benefit that is offered to eligible employees at retirement.

Both of the above benefits are calculated by taking the sick leave hourly rate and multiplying it by the sick leave hours eligible for payout or the VEBA benefit.

7. I understand that if I am eligible for annual leave cash-out upon separation/retirement from WSU, that payout would be lower if I separated during the period of reduced salary. The annual leave payout is based on the hourly rate at the time of separation/retirement.

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By my signature below, I am requesting to reduce my salary and understand and agree to all terms and conditions set forth above. I understand this decision is irrevocable, unless the Appointing Authority agrees in writing to change the time period. Except as otherwise set forth herein, all other terms and conditions of my employment continue to apply. My decision to reduce my salary is entirely voluntary.

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Signature

Date

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Print Name

WSU ID#

Approved by:

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Appointing Authority

Date

Complete and return to:      Human Resource Services  
   139 French Administration  
   PO Box 641014  
   Pullman, WA 99164-1014

cc:      HRS Benefit Services  
            HRS Personnel File  
            Area Finance Officer